



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 9
75 HAWTHORNE STREET
SAN FRANCISCO, CALIFORNIA 94105**

ENFORCEMENT AND COMPLIANCE
ASSURANCE DIVISION

DATE: November 15, 2021

SUBJECT: CLEAN AIR ACT INSPECTION REPORT
Schnitzer Steel – Hawaii Corporation., Kapolei, Hawaii

FROM: Scott Connolly, Environmental Engineer
Air Section, Air, Waste & Analysis Branch,
Enforcement and Compliance Assurance Division

THRU: Janice Chan, Acting Manager
Air Section, Air, Waste & Analysis Branch,
Enforcement and Compliance Assurance Division

TO: File

BASIC INFORMATION

Facility Name: Schnitzer Steel – Hawaii Corporation.

Facility Location: 91-056 Hanua Street, Kapolei, Hawaii 96707

Date of Inspection: September 24, 2021

EPA Inspectors:

1. Scott Connolly, Environmental Engineer
2. Yvezee Lapada, Physical Scientist

Other Attendees

1. Nick Garafalo, General Manager, Schnitzer Steel
2. Drew Coats, Facilities and Operations Manager
3. Ian Sandison, Outside Counsel, Watanabe Ing, LLP

Contact Email Address: Nick Garafalo: ngarofalo@schn.com

Purpose of Inspection: To determine compliance with the Clean Air Act

Facility Type: Metal shredding and recycling yard

Arrival Time: 9:00 am

Departure Time: 11:45 pm

Inspection Type:

- ☒ Unannounced Inspection
- ☐ Announced Inspection

OPENING CONFERENCE

- ☒ Credentials Presented
- ☒ CBI warning to facility provided

The following information was obtained verbally from Nick Garafalo or Drew Coats unless otherwise noted.

Process Description: Schnitzer Steel Industries, Inc. (Schnitzer) accepts ferrous and non-ferrous metals for recycling from industrial suppliers, feeder scrap yards, and the general public. The facility accepts crushed and processed cars, small appliances, light iron, steel, and other bulk ferrous and non-ferrous materials. The facility does not conduct car processing or recover refrigerants on-site and all cars received are from auto wreckers. The facility unloads metal deliveries by shipment contents into appropriate piles in different areas of the facility. Light iron, steel and other ferrous containing materials, including cars, are unloaded into piles near the shredder infeed conveyor. Shred materials are loaded onto a conveyor by claw cranes and fed into a hammermill shredder. Shredded metal exits the shredder and magnets remove the ferrous metal. Ferrous metals are conveyed to piles near the ship loading area. Ferrous metals are loaded into ships for export. Non-ferrous materials are sent to the joint products plant where downstream processing equipment separates non-ferrous metals from non-metallic fluff. Metal is also processed with a mobile shear torch cutter or a rarely used non-ferrous bailer.

Staff Interview: The facility can accept material via ship from Schnitzer's Maui facility, but all other metal arrives via truck or other ground transportation. All metal is shipped out via oceangoing ship, with almost all ferrous metal being transported by bulk ship and nonferrous leaving by shipping container. The facility does not have any refrigerant recovery on site and requires that suppliers sign a Hazardous Materials Removal Compliance Contract (HMRCC) to certify prior removal of refrigerants. Typically, the shredder operates for eight hours at a time, approximately 7 am to 3 pm, two or three days per week, with maintenance occurring after every shred day. The hammer mill is a 4000 horsepower Newell shredder that operates around 115 gross tons per hour. The shredder is not equipped with any air emissions control equipment, but is equipped with a smart water system that is tied to shredder amps. The joint products plant runs independently from the shredder, about three days per week.

TOUR INFORMATION

EPA toured the facility: Yes

Data Collected and Observations: Inspectors observed small fluffy piles of fine particulate matter resembling shredder fluff on the ground in multiple areas around the facility.

Photos: were taken during the inspection.

A photo and video log is contained in Appendix A.

Field Measurements: were not taken during this inspection.

RECORDS REVIEW

1. No records were reviewed on site.

CLOSING CONFERENCE

Requested documents:

- Safety Data Sheet (SDS) for Foam injected into the shredder.
- Recent Air Permit Application submitted to Hawaii Department of Public Health

Concerns: The facility does not currently have an air permit.

SIGNATURES

Report Author: **SCOTT CONNOLLY** Digitally signed by SCOTT CONNOLLY
Date: 2021.11.15 08:46:55 -08'00' Date: _____

Section Chief: _____ Date: _____

Facility Name: Schnitzer Steel – Hawaii Corporation.
Facility Location: 91-056 Hanua Street, Kapolei, Hawaii
Date of Inspection: September 24, 2021

APPENDICES AND ATTACHMENTS

- I.* Appendix A: Digital Image Log

Facility Name: Schnitzer Steel – Hawaii Corporation.
Facility Location: 91-056 Hanua Street, Kapolei, Hawaii
Date of Inspection: September 24, 2021

APPENDIX A: DIGITAL IMAGE LOG

1. Photographer Name: Yvezee Lapada	2. Date of Inspection: September 24, 2021
3. Company/Facility Name: Schnitzer Steel – Hawaii Corporation.	4. Street Address, City, State: 91-056 Hanua Street, Kapolei, Hawaii
5. Number of Images: 39 photos	6. Archival Record Location: https://usepa.sharepoint.com/sites/r9_Work/AIR_TRI_ENF/SitePages/Home.aspx?RootFolder=%2Fsites%2Fr9%5FWor%2FAIR%5FTRI%5FENF%2FShared%20Documents%2FStationary%20Sources%2FSchnitzer&FolderCTID=0x0120002ECCD6976B3B1B409DB4D0C077DCF502&View=%7BEFB2F515%2D8441%2D4D5D%2D83D5%2DAA0FB68EBE41%7D#

Image Number	File Name	Date and Time	Description of Image
1	P9220001.JPG	9/22/2021 9:29	Schnitzer Steel Hawaii facility layout diagram
2	P9220002.JPG	9/22/2021 9:29	Hammermill shredder diagram
3	P9220003.JPG	9/22/2021 10:54	Shredder and downstream yard overview
4	P9220004.JPG	9/22/2021 10:54	Shredder and downstream yard overview.
5	P9220005.JPG	9/22/2021 10:54	Scrap metal piles and downstream yard overview
6	P9220006.JPG	9/22/2021 10:54	Shredder and downstream yard overview.
7	P9220007.JPG	9/22/2021 10:55	Shredder and downstream yard overview.
8	P9220008.JPG	9/22/2021 10:55	Scrap metal piles and downstream yard overview
9	P9220009.JPG	9/22/2021 10:55	Shredder and downstream yard overview.
10	P9220010.JPG	9/22/2021 10:55	Shredder and downstream yard overview.
11	P9220011.JPG	9/22/2021 10:55	Unloading of ferrous material at the shred pile
12	P9220012.JPG	9/22/2021 10:56	Unloading of ferrous material at the shred pile
13	P9220013.JPG	9/22/2021 10:56	Scrap metal in the shred pile
14	P9220014.JPG	9/22/2021 10:58	Scrap metal in the shredder pile and both claw cranes
15	P9220015.JPG	9/22/2021 11:00	Scrap metal near the water tank
16	P9220016.JPG	9/22/2021 11:00	Scrap cars pile
17	P9220017.JPG	9/22/2021 11:00	Scrap cars pile next to the shredder
18	P9220018.JPG	9/22/2021 11:01	Shredder building and downstream process building
19	P9220019.JPG	9/22/2021 11:01	Shredded ferrous metal piles
20	P9220020.JPG	9/22/2021 11:03	Shredded ferrous metal piles
21	P9220021.JPG	9/22/2021 11:05	Shredded ferrous metal exit conveyor
22	P9220022.JPG	9/22/2021 11:05	Shredded ferrous metal exit conveyor
23	P9220023.JPG	9/22/2021 11:07	Downstream duct and shredder location relative to the ocean
24	P9220024.JPG	9/22/2021 11:07	Downstream duct and shredder location relative to the ocean
25	P9220025.JPG	9/22/2021 11:07	Downstream separation equipment

Facility Name: Schnitzer Steel – Hawaii Corporation.
Facility Location: 91-056 Hanua Street, Kapolei, Hawaii
Date of Inspection: September 24, 2021

26	P9220026.JPG	9/22/2021 11:08	Ferrous metal magnetic separation
27	P9220027.JPG	9/22/2021 11:08	Shredded ferrous metal picking station
28	P9220028.JPG	9/22/2021 11:08	Shredded ferrous metal picking station
29	P9220029.JPG	9/22/2021 11:08	Shredded ferrous metal picking station
30	P9220030.JPG	9/22/2021 11:11	Top of shredder building and shredded metal pile
31	P9220031.JPG	9/22/2021 11:11	Shredded ferrous metal pile, scrap cars pile and water tank from top of shredder building
32	P9220032.JPG	9/22/2021 11:11	Shredded ferrous metal pile from top of shredder building
33	P9220033.JPG	9/22/2021 11:11	Scrap cars pile and infeed conveyor from top of shredder building
34	P9220034.JPG	9/22/2021 11:12	Shredder control room
35	P9220035.JPG	9/22/2021 11:12	Shredder control panel
36	P9220036.JPG	9/22/2021 11:17	Shredder infeed conveyor and infeed roller at entrance to the hammermill
37	P9220037.JPG	9/22/2021 11:17	Shredder infeed conveyor and infeed roller at entrance to the hammermill
38	P9220038.JPG	9/22/2021 11:21	Mobile shear and larger scrap metal pile
39	P9220039.JPG	9/22/2021 11:21	Mobile shear and larger metal scrap pile